

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Becu Manufacturing Co. Inc

New Jersey Manufacturing Extension Program

BeCu Faces Challenges Head-on through a Business Growth Strategy Plan

Client Profile:

BeCu Manufacturing Company, Inc., of Scotch Plains, New Jersey, produces parts and assemblies made from numerous metals, plastics and other materials. Founded in 1944 by the Hoeckele family, the third generation business is recognized for its expertise with beryllium-copper. BeCu is a precision metal stamper, producing a wide variety of high-reliability springs, electrical contacts and assemblies for both small and large companies in numerous industries including aerospace, electrical/electronics and medical. BeCu's core business principles center on creativity, diversity and quality. The company has 23 employees.

Situation:

Following an introductory cold call, a representative from the New Jersey Manufacturing Extension Partnership (NJMEP), a NIST MEP network affiliate, met with BeCu President Stephen J. Hoeckele and learned that, beginning in the late 1980s, a slowdown in the defense industry led to steadily decreasing sales volume. This situation was further impacted by minimal sales and marketing efforts. NJMEP determined that BeCu's lagging sales were the result of a reactive, rather than proactive, approach to the marketplace. Furthermore, the company suffered from weak brand identity within a market it had serviced for more than 40 years. BeCu was facing financial difficulties; it was highly leveraged, overextended with creditors and operating below break-even on a monthly basis. The company had already undertaken cost-cutting measures, including employee layoffs, to reduce operating expenses.

Solution:

NJMEP recommended the development and implementation of a Strategic Growth Strategy, incorporating a detailed sales and marketing plan. In conjunction with Susan Brod of APH Associates, NJMEP established a plan to redefine BeCu Manufacturing's business model. After performing research and development of operational, marketing, sales and financial plans, the principals laid out a proactive Business Growth Strategy designed to achieve five goals: 1) Increase BeCu's sales and expand its customer base; 2) Reverse the company's bottom line from negative to positive; 3) Reposition BeCu within its industry and target markets to maximize business opportunities; 4) Develop a marketing and sales plan; and 5) Devise a plan of implementation rating a detailed sales and marketing plan.

The BeCu Manufacturing project spanned four months. The NJMEP field agent saw it through from inception to finish, actively scheduling, coordinating and participating in the numerous business planning sessions and all other facets of the project. As part of the growth plan, BeCu President Hoeckele immediately implemented several growth plan recommendations pertaining to telemarketing and the establishment of regional manufacturing representatives. "NJMEP and its resource, APH, were very professional and knowledgeable," said Hoeckele. "They helped us to formulate a growth strategy based upon BeCu's strengths while, at the same time, minimizing any weaknesses we had."

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BeCu Manufacturing is optimistic ' but also realistic' about the long-term impact of the NJMEP project. "BeCu faces significant challenges both internally and within its marketplace, now and in the foreseeable future. The deliverable, a Business Growth Strategy, gave us detailed plans which became a 'road map' to our future success," said Hoeckele. The company president expressed confidence in the Business Growth Strategy's ability to provide BeCu with ongoing benefits. "It helped us to clarify our thinking and look more at the long term, while presenting us with new and different growth opportunities," said Hoeckele.

Results:

- * Developed and implemented a Strategic Growth Strategy.
- * Increased sales.

Testimonial:

"Sales had been declining over the previous five years, resulting in significant downsizing. Since implementing some of the suggestions from NJMEP, our sales have started to increase again and we believe we are on the right track. NJMEP was a great help, and as a result, we worked with them on a subsequent Telemarketing Program Development project. As we go forward, we will look to working with NJMEP again as the need arises."

Stephan Hoeckele, President